PROCEEDINGS OF THE GOVERNMENT OF KARNATAKA

SUB : Procurement of Works – Use of Standard Tender Document – Revision – reg.

READ : (1) G.O.No: FD 9 PCL 2004 (I), dated:6.8.2005
(2) G.O.No: FD 04 PCL 2007, dated:2.4.2008
(3) G.O.No: FD 04 PCL 2008, dated:14.10.2008
(4) G.O.No: FD 480 Exp-12/2014, dated:19.07.2014
(5) G.O.No: FD 876 Exp-12/2017, dated:10.10.2017

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PREAMBLE :

In the Government Order read at (5) above, certain modifications were made to the clauses of Standard Tender Documents prescribed in Government Order read at (1) above, to facilitate the participation of the tenderers belonging to Scheduled Caste/Scheduled Tribes category in the tender of construction works up to Rs.50.00 lakhs.

Further, first proviso under Section 6 of Karnataka Transparency in Public Procurements (KTPP) Act, 1999 has been amended vide Karnataka Act 23 of 2023 with effect from 29.03.2023 and the value of the Construction Works to be tendered among the tenderers belonging to Scheduled Caste/Scheduled Tribes category has been enhanced from Rs.50.00 lakhs to Rs.1.00 crore.

In view of the above, it has been decided to further modify the clauses of Standard Tender Documents and issue an order in supersession of the earlier Order read at (5) above.

Hence the following order.

GOVERNMENT ORDER NO: FD 611 EXP-12/2023,
BANGALORE, DATED: 03.02.2024

Under the circumstances explained in the preamble, the following clauses of Standard Tender Documents as prescribed in Government Order read at (1)

above shall stand modified for the tenders invited from among the tenderers belonging to Scheduled Caste Category and Scheduled Tribe Category to the extent noted below:

Sl. No.	Reference to Standard Tender Documents (STD)	Existing Clause in STD as modified in the Government Order read at (3) and (4) above for works upto Rs.100.00 Lakhs	Modified Clause
01	ITT Clause 3.2(a) - KW-2 & 3	Qualification: To qualify for award of this contract each tenderer in his name should have in the last five years' period (a) achieved in at least two financial years an average financial turnover of Rs.....(usually not less than the estimated cost for works costing upto Rs.100 lakh)	Qualification: To qualify for award of this contract each tenderer in his name should have in the last five years' period (a) achieved in at least one financial year a minimum financial turnover (in all classes of civil engineering construction works only) of Rs..... (usually not less than the estimated annual payments under this contract for works costing upto Rs.100 lakh)
02	ITT Clause 3.2(b) - KW-2 & 3	a) Mandating satisfactory completion as a prime contractor for at least one similar work to an extent of 50% of the cost of the work, for all works costing up to and Rs.100 lakh.	a) Mandating satisfactory completion as a prime contractor for at least any construction work to an extent of 25% of the cost of the work, for all works costing up to Rs.100 lakh.
03	ITT Clause 3.1-KW-1; ITT Clause 3.3-KW-2; and ITT Clause 3.6-KW-3	In order to ensure higher tender capacity and better selection of eligible contractors and also to ensure more competition the existing multiplying factor of 1.50 for assessing the available tender capacity may be modified to 2.50 for works costing upto Rs.100 lakh.	In order to ensure higher tender capacity and better selection of eligible contractors and also to ensure more competition the existing multiplying factor of 2.50 for assessing the available tender capacity may be modified to 5.00 for works costing upto Rs.100 lakh.

Sl. No.	Reference to Standard Tender Documents (STD)	Existing Clause in STD as modified in the Government Order read at (3) and (4) above for works upto Rs.100.00 Lakhs	Modified Clause
04	ITT Clause 9.1 - KW-1; ITT Clause 9.1 - KW-2; and ITT Clause 9.1 - KW-3	Earnest Money Deposit: The tenderer shall furnish, as part of his tender, Earnest Money Deposit (EMD) at the following rates. EMD amount as % of the estimated cost of the work put to tender a) Upto Rs.20 lakh – 2.5% b) Rs.20 lakh and above upto Rs.1 crore – 2% subject to a minimum of Rs.50,000/-	Earnest Money Deposit: The tenderer shall furnish, as part of his tender, Earnest Money Deposit (EMD) at the following rates. EMD amount as % of the estimated cost of the work put to tender a) Upto 20 lakh – 1.25% b) Rs.20 lakh and above upto Rs. 1 crore – 1% subject to a minimum of Rs. 25,000/-
05	ITT Clause 24– KW-1; ITT Clause 24– KW-2; and ITT Clause 25– KW-3	Performance Security: Within 20 days of the receipt of the letter of acceptance, the successful tenderer shall deliver to the employer a security deposit in any of the forms given below for an amount equivalent to 5% of the contract price plus additional security for unbalanced tenders in accordance with clause 25.5 of ITT & Clause 44 of the conditions of contract for all works.	Security deposit for an amount equivalent to 5% of the contract price payable shall be deducted in every running bill. However, in case of first and final bill the entire security deposit will be deducted from the final bill.
06	To be inserted as Clause 36A in Section 5 of Conditions of Contract of KW- 3	-N/A-	1. The Employer shall make payment to the Contractor of the amounts stated in the Contract Data by the date stated in the Contract Data, against provision by the Contractor of an unconditional bank guarantee in a form acceptable to the Employer issued by a

Sl. No.	Reference to Standard Tender Documents (STD)	Existing Clause in STD as modified in the Government Order read at (3) and (4) above for works upto Rs.100.00 Lakhs	Modified Clause
			Nationalized / Schedule Bank in amounts equal to the advance payment. The guarantee shall remain effective until the advance payment has been repaid, but the amount of the guarantee shall be progressively reduced by the amounts repaid by the Contractor. Interest will not be charged on the advance payment. 2. The Contractor is to use the advance payment only to pay for Mobilization expenses required specifically for execution of the Works. The Contractor shall demonstrate that advance payment has been used in this way by supplying copies of invoices or other documents to the Employer. 3. The advance payment shall be repaid by deducting proportionate amounts from payments otherwise due to the Contractor, following the schedule of completed percentages of the Works on a payment basis. No account shall be taken of the advance payment or its repayment in assessing valuation of the work done, variations, price adjustments,compensation events or liquidated damages.

<table>
<tr><th>Sl. No.</th><th>Reference to Standard Tender Documents (STD)</th><th>Existing Clause in STD as modified in the Government Order read at (3) and (4) above for works upto Rs.100.00 Lakhs</th><th>Modified Clause</th></tr>
<tr><td>07</td><td>Section 6 contract data of KW- 3</td><td>-N/A-</td><td>The following to be inserted after Clause reference [36] and before Clause reference [41]:

The amounts of the advance payment are [36A]:

<table>
<tr><th>Nature of Advance</th><th>Amount (Rs.)</th><th>Conditions to be fulfilled</th></tr>
<tr><td>Mobilization</td><td>5% of the Contract price</td><td>On submission of un-conditional Bank Guarantee. (to be drawn before end of 20% of Contract period)</td></tr>
</table>

(The advance payment will be paid to the Contractor no later than 30 days after fulfilment of the above conditions)

Repayment of advance payment for mobilization: [36A]

The advance loan shall be repaid with percentage deductions from the interim payments certified by the Engineer under the Contract. Deductions shall commence in the next Interim Payment Certificate following that in which the total of all such payments to the Contractor has reached not less than 15 percent of the Contract Price or _____ months from the date of payment of first</td></tr>
</table>

Sl. No.	Reference to Standard Tender Documents (STD)	Existing Clause in STD as modified in the Government Order read at (3) and (4) above for works upto Rs.100.00 Lakhs	Modified Clause
			instalment of advance, whichever period concludes earlier, and shall be made at the rate of 7.5% percent of the amounts of all Interim Payment Certificates until such time as the loan has been repaid, always provided that the loan shall be completely repaid prior to the expiry of the original time for completion pursuant to Clauses 15 and 22.

2) This order issues in supersession of the earlier Government Order read at (5) above and this will apply for invitation of tenders for procurement of construction works to be invited hereafter and shall not be applicable for tenders already invited.

3) There is no change in the remaining clauses of the Standard Tender Documents.

By order and in the name of
Governor of Karnataka

(L.K. ATHEEQ)
Additional Chief Secretary Government
Finance Department

To:

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